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*Attorneys for TARGET EASE INTERNATIONAL*

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH**

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In re:

NAARTJIE CUSTOM KIDS, INC.,  
  
Debtor.

Case No. 14-29666

Chapter 11

The Honorable William T. Thurman

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**TARGET EASE INTERNATIONAL’S MOTION TO TERMINATE THE AUTOMATIC  
STAY**

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Target Ease International (“**Target Ease**”), by and through its attorneys, Holland & Hart LLP, moves the Court for entry of an order substantially in the form concurrently filed, terminating the automatic stay under 11 U.S.C. 362(a), to the extent it applies, so that Target Ease may exercise its rights as a seller of rejected goods having a cost value of approximately \$2 million. Target Ease manufactured the goods at the request of, and in accordance with, the designs and specifications of Naartjie Custom Kids, Inc. (the “**Debtor**”) and the goods may bear the Debtor’s label. The Debtor, however, has declined to accept delivery of the goods and does not intend to otherwise purchase the goods from Target Ease because the Debtor is now in a

controlled liquidation in the above-captioned chapter 11 case. Target Ease seeks termination of the automatic stay, if applicable, so that Target Ease may sell or otherwise dispose of the goods and thereby mitigate the damages resulting from the Debtor's breach of the purchase orders governing the goods. Because these goods are seasonal goods and their value will likely significantly decline if not sold promptly, Target Ease requests permission to resell them immediately on an "as is" basis.

### **JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter under 28 U.S.C. § 1334.
2. This matter is a core proceeding within the meaning of 28 U.S.C. §157(b)(2)(A) and (G).
3. Venue is proper pursuant to 28 U.S.C. § 1409(a).

### **BACKGROUND**

4. On September 12, 2014 (the "**Petition Date**"), the Debtor filed the above-captioned chapter 11 case.
5. The Debtor was a children's clothing, accessories and footwear retailer. [See Declaration of Jeff Nerland in Support of Chapter 11 Petition and First Day Motions ("**Nerland Dec.**"), Doc. No. 10, ¶ 5]. It filed this case seeking to restructure under chapter 11. [See *id.*, ¶ 10.] To that end, on the Petition Date the Debtor filed multiple "first day" motions, in support of which the Debtor declared the following:
  - a. Historically, Target Ease produced and supplied approximately 75% of all of the products sold by the Debtor; [Nerland Dec., ¶ 14]

b. More specifically, Target Ease worked with a group of manufacturers in China (the “**Local Manufacturers**”) who manufactured the goods to meet the Debtor’s unique design process and quality; [*see id.*]

c. Supplying the goods to the Debtor was Target Ease’s entire business; [*see id.*]

d. Target Ease paid the Local Manufacturers from the proceeds it received from the Debtor; [*see id.*]

e. As of the Petition Date, the Debtor owed approximately \$3.4 million to Target Ease for goods that Target had delivered pre-petition; [*see id.* at ¶ 15]

f. The Debtor’s arrears caused Target Ease a “cash crunch,” forcing Target Ease to exhaust every finance facility from its bank in Hong Kong; [*see id.* at ¶ 20]

g. The situation was so severe, that the Debtor and Target Ease feared that Target Ease would default on its obligations to its creditors (and to the Local Manufacturers); [*see id.*]

h. The Debtor was concerned that if Target Ease defaulted on its obligations, it would not be able to sell additional goods to the Debtor; [*see id.* at ¶19]

i. In particular, as of the Petition Date, the Debtor had outstanding prepetition purchase orders with Target Ease for goods not yet delivered; [*id.* at ¶ 15]

j. Moreover the Debtor planned to purchase \$5.7 million worth of goods from Target Ease for the 2014 holiday season; [*see id.* at ¶ 18]

k. Consequently, on the Petition Date, the Debtor filed a motion seeking authority to pay the Pre-Petition Claim to Target Ease from the proceeds of a post-

petition loan to be made to the Debtor by Victory Park Capital Advisors, LLC. [See Dkt. No. 3.]

6. The Debtor was unable to secure post-petition financing and instead has proceeded to liquidate all of its assets. [See *e.g.*, Dkt. Nos. 132, 199.]

7. Before the Petition Date, the Debtor placed two orders for a total of 467,239 units of product from Target Ease for the Debtor's "spring-transition" and spring 2015 retail season (the "**Spring Goods**"). [Copies of the corresponding Reservation Purchase Orders (the "**Purchase Orders**") are attached as **Exhibits "A"**. ]

8. As detailed in the Purchase Orders, the total purchase price of the Spring Goods was \$1,999,967.70. [See Exhibit A.]

9. Pursuant to the terms of the Purchase Orders, the Spring Goods were to be delivered to the Debtor post-petition. [See Exhibit A.]

10. The Purchase Orders "serve[d] as [the Debtor's] commitment to the list of styles on page 1, so that [Target Ease] can procure the necessary fabric and trim as well as book production and dye house space." [See Purchase Orders, last page.]

11. Pursuant to the terms of the Purchase Orders and course of dealing between Target Ease and the Debtor, Target Ease organized production of the Spring Goods with the Local Manufacturers. [See *Declaration of Francis Chan in Support of Motion to Terminate the Stay* (the "**Chan Dec.**"), ¶¶ 7. ]

12. As of the date of this Motion, Target Ease had substantially completed manufacturing of the Spring Goods, many if not all of which contain the Debtor's label, brand or design. [See Chan Dec. ¶ 8.]

13. The Debtor has refused to accept delivery of the Spring Goods, and has informed Target Ease that it will not pay the amount due under the Purchase Orders upon delivery of the Spring Goods. [*See* Chan Dec. ¶ 9.]

14. While the Debtor has sought permission to sell its intellectual property and its South African subsidiary, it has not sought permission to purchase and resell the Spring Goods. [*See e.g.*, Dkt. No. 199.]

15. Target Ease believes that it or some of the Local Manufacturers may be able to resell some or all of the Spring Goods. [*See* Chan Dec. ¶ 10.]

16. Because the Spring Goods are seasonal goods, the time to maximize their potential salvage or resale value is over the next few weeks. [*See* Chan Dec. ¶ 11.]

17. Removing the Debtor's label from the Spring Goods would be time consuming, expensive and commercially unreasonable. [*See* Chan Dec. ¶ 12.]

18. The Debtor's liquidation has caused and is causing damage to Target Ease. Absent realizing money from a disposition of the Spring Goods, Target Ease will not have the ability to pay the debt it owes to the Local Manufacturers. Several of our Local Manufacturers have commenced action to collect the debts Target Ease owes, and other Local Manufacturers are threatening to take action against Target Ease for its failure to pay them for the Spring Goods. [*See* Chan Dec. ¶ 13.]

### **ARGUMENT**

The Court should modify the automatic stay, to the extent applicable, to allow Target Ease to dispose of the Spring Goods for three reasons.

First, the Spring Goods are not property of the estate and “the automatic stay pertains only to the actions involving the debtor or property of the estate.” *In re Priestley*, 93 B.R. 253, 261 (Bankr.D.M. 1988) (citing 11 U.S.C. § 362). Here, the Debtor did not pay for the Spring Goods and has declined to accept delivery of the same. Consequently, the Spring Goods are not property of the estate and the automatic stay of § 362(a) does not apply.

Second, if applicable, the stay should be terminated “for cause” because as a matter of law, Target Ease has a license to sell the Spring Goods pursuant to the Uniform Commercial Code. Under § 362(d)(1), the Court may modify the stay “for cause.” 11 U.S.C. § 362(d)(1). “Because there is no clear definition of what constitutes ‘cause,’ discretionary relief from the stay must be determined on a case by cases basis.” *Pursifull v. Eakin*, 814 F.2d 1501, 1506 (10th Cir. 1987). Under this standard, there is cause for termination of the stay to the extent it is applicable because Target Ease is authorized to sell the Spring Goods under the UCC.

The UCC provides, in pertinent part, “[w]here the buyer wrongfully rejects or revokes acceptance of goods or fails to make a payment due on or before delivery [of the goods] . . . the aggrieved seller may . . . resell and recover damages as hereafter provided.” Utah Code Ann. § 70A-2-703(d). The UCC makes almost identical provisions for unfinished goods in the seller’s possession. *Id.* at § 70A-2-704. The UCC then outlines the manner in which sellers may resell the goods, including a private or public sale. *See id.* at §§ 70A-2-704, 706. Combined, these provisions grant a manufacturer a license implied in law to sell rejected goods when the goods bear the trademark or intellectual property of the breaching buyer. *See e.g., McCoy v. Mitsuboshi Cutlery*, 67 F.3d 917 (Fed. Cir. 1995); *Diebold Inc. v. Positran Mfg.*, CA No. 02-374, unpublished op., 2002 U.S. Dist. LEXIS 18129 (D. Del. Sept. 26, 2002).

*Diebold* is directly on point. In that case, a chapter 11 debtor ordered certain goods from a manufacturer prior to filing bankruptcy. *Diebold*, 2002 U.S. Dist. LEXIS 18129 at \*4. As of the petition date, the manufacturer had completed manufacturing a substantial amount of the goods, but had not yet delivered the same. *See id.* at \*5. It was also in possession of additional goods at various stages of completion. *See id.* The debtor refused to accept delivery of these goods and instead sold all of its assets, including its trademarks and patents, to a third party. *See id.* at \*6. The third-party buyer attempted to enjoin the manufacturer from disposing of the rejected goods, arguing that such sale would infringe on the intellectual property it purchased from the debtor. *See id.* The court rejected this argument, and held that the manufacturer had an “implied license at law” to dispose of the goods arising out of the debtor’s rejection of the same. *See id.* at \*7. The court held that under §§ 703, 704 and 706 of the UCC, the manufacturer’s “implied license is available for any goods or parts ordered [by the debtor] before rejection, and for which [the manufacturer] has likewise ordered goods or parts or made commitments to deliver.” *Id.* at \* 10.

Like *Diebold*, the Debtor ordered the Spring Goods pre-petition, Target Ease has produced or began to produce the Spring Goods, and the Debtor has rejected delivery of the Spring Goods. Also like *Diebold*, the Debtor sold substantially all of its inventory and proposes to sell its remaining asset, including its trademarks and other intellectual property, under § 363 of the Code. Like *Diebold*, however, Target Ease has a license implied in law to sell the Spring Goods “as is” to mitigate its claim. Thus, to the extent that the automatic stay applies, there is cause to terminate the same so that Target Ease may exercise its right to dispose of the Spring Goods.

Third, the Court may terminate or modify the stay, if applicable, under § 362(d)(2). Under that section, the Court may terminate or modify the stay with respect to property of the estate where (1) the debtor does not have an equity in such property, and (2) such property is not necessary to an effective reorganization. 11 U.S.C. § 362(d)(2). Both elements are met here because (1) the Debtor does not have an equity in the Spring Goods since it never paid for the same and payment was due upon delivery, and (2) the Debtor is in a controlled liquidation and is thus not reorganizing. Even if the Debtor were reorganizing, it has declined delivery of the Spring Goods and does not own them. Further, Target Ease's disposition of the Spring Goods will mitigate its own claim, correspondingly increasing any likely distribution to other creditors.

#### **CONCLUSION AND RELIEF REQUESTED**

For the foregoing reasons, the Court should modify or terminate the stay, if applicable, to allow Target Ease to resell or otherwise dispose of the Spring Goods on an "as is" basis. Because the Spring Goods are seasonal goods that must be sold as soon as possible and because the Debtor does not own them, the Court should waive the 14-day stay applicable to an order granting this Motion pursuant to Federal Rule of Bankruptcy Procedure 4001(a)(3).

Dated November 24, 2014

Respectfully submitted,

HOLLAND & HART LLP

/s/Engels J. Tejeda

Mona L. Burton

Engels J. Tejeda

*Attorneys for Target Ease International*



## CERTIFICATE OF SERVICE

I certify that on November 24, 2014 ,I served a copy of the foregoing document to the following by



U.S. Mail, postage prepaid to:

Bishop Special Asset Management, LLC  
c/o Brent Bishop  
P.O. Box 767  
Farmington, Utah 84025

Brent L Bishop Trust  
c/o Brent Bishop  
P.O. Box 767  
Farmington, Utah 84025

Nogales Investors Fund II, LP  
Attn: J. Keller Norris  
9229 W. Sunset Boulevard, Suite 900  
West Hollywood, Ca 90069

The B. Attitudes Foundation  
c/o Brent Bishop  
P.O. Box 767  
Farmington, Utah 84025

Zions SBIC, L.L.C.  
Attn: Chris Stone  
15 West South Temple, Suite 500  
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Counsel for the Committee of Unsecured Creditors

And upon all other parties receiving notice through the Court's CM/ECF System.

By: Teri Jones

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**Exhibit A**  
(Purchase Orders)

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA

Import RN#: 103627

Agent: Target Ease International Limited

Vendor: TBA - Targetease

Shipment Samples Due: Sept. 16, 2016

 Issued: May 15, 2014  
 revised August 28, 2014

 EC/SLC: Sept 30, 2014  
 WC: Oct. 7, 2014

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTY	IS Web QTY	CAN QTY	TOTAL UNITS	CONFIRMED PRICE	VALUE
K	GBT6169SPT5	ESS LS STRIPE-SPOT RUFFLED TUNIC	1584	305	33	1922	\$ 3.00	\$ 5,766.00
K	GKT6168SPT5	ESS LS STRIPE-SPOT RUFFLED TUNIC	3723	1095	50	4868	\$ 3.50	\$ 17,038.00
K	GBT6422SPT5	ESS SS STRIPE-SPOT RUFFLED TUNIC	416	255	33	704	\$ 2.80	\$ 1,971.20
K	GKT6421SPT5	ESS SS STRIPE-SPOT RUFFLED TUNIC	918	928	102	1948	\$ 3.30	\$ 6,428.40
K	GBT6161SPT5	LS ASSYM TIE DYE GRAPHIC TUNIC	968	201	24	1193	\$ 3.49	\$ 4,163.57
K	GKT6160SPT5	LS ASSYM TIE DYE GRAPHIC TUNIC	2652	629	39	3320	\$ 4.09	\$ 13,578.80
K	GTT7000SPT5	3/4 SLEEVE ASSYMETRICAL TIE DYE TUNIC	0	332	18	350	\$ 4.64	\$ 1,624.00
K	GBT6424SPT5	SS ASSYM TIE DYE GRAPHIC TUNIC	224	150	24	398	\$ 3.19	\$ 1,269.62
K	GKT6423SPT5	SS ASSYM TIE DYE GRAPHIC TUNIC	578	529	88	1195	\$ 3.79	\$ 4,529.05
K	GBT6163SPT5	LS MIXED PRINT TUNIC	1296	251	45	1592	\$ 3.33	\$ 5,301.36
K	GKT6162SPT5	LS MIXED PRINT TUNIC	3281	969	130	4380	\$ 3.93	\$ 17,213.40
K	GB06175SPT5	TEXTURED U/B FLEECE JACKET	816	243	23	1082	\$ 5.43	\$ 5,875.26
K	GKO6174SPT5	TEXTURED U/B FLEECE JACKET	2550	770	101	3421	\$ 6.60	\$ 22,578.60
K	GTO7001SPT5	TEXTURED U/B FLEECE JACKET	0	250	18	268	\$ 7.87	\$ 2,109.16
K	GB06153SPT5	HOODED LACE TRIM FRENCH TERRY VEST	912	219	23	1154	\$ 7.05	\$ 8,135.70
K	GKO6152SPT5	HOODED LACE TRIM FRENCH TERRY VEST	2108	666	97	2871	\$ 8.05	\$ 23,111.55
K	GBT6177SPT5	TEXTURED LACE TRIM TUNIC	1200	154	30	1384	\$ 3.92	\$ 5,418.36
K	GKT6176SPT5	TEXTURED LACE TRIM TUNIC	2958	997	79	4034	\$ 4.42	\$ 17,810.11
K	GTT7002SPT5	TEXTURED LACE TRIM TUNIC	0	332	18	350	\$ 5.32	\$ 1,860.25
K	GBB6171SPT5	ESS STRIPED LEGGING	2792	692	30	3514	\$ 2.70	\$ 9,487.80
K	GKB6170SPT5	ESS STRIPED LEGGING	7973	2418	321	10712	\$ 3.10	\$ 33,207.20
K	GBB6167SPT5	SPRINKLE SPOT LEGGING WITH RUFFLE	1864	461	30	2355	\$ 2.83	\$ 6,664.65
K	GKB6166SPT5	SPRINKLE SPOT LEGGING WITH RUFFLE	6222	1819	221	8262	\$ 3.23	\$ 26,686.26
W	GBB6151SPT5	CRACKER PANT WITH LACE OVERLAYS	896	223	24	1143	\$ 5.63	\$ 6,435.09
W	GKB6150SPT5	CRACKER PANT WITH LACE OVERLAYS	2873	861	103	3837	\$ 6.98	\$ 26,782.26
W	GTB7003SPT5	CRACKER PANT WITH LACE OVERLAYS	0	182	12	194	\$ 9.33	\$ 1,810.02
W	GBB6147SPT5	STRETCH DENIM PANT WITH EMB	400	100	9	509	\$ 7.31	\$ 3,720.79
W	GKB6146SPT5	STRETCH DENIM PANT WITH EMB	935	278	101	1314	\$ 8.96	\$ 11,773.44
W	GTB7004SPT5	STRETCH DENIM PANT WITH EMB	0	86	6	92	\$ 10.66	\$ 980.72
K	GBB6173SPT5	LACE TRIM PIECED LEGGING	2232	543	31	2806	\$ 3.40	\$ 9,540.40
K	GKB6172SPT5	LACE TRIM PIECED LEGGING	6137	1916	150	8203	\$ 4.00	\$ 32,812.00
K	GTB7005SPT5	LACE TRIM PIECED LEGGING	0	309	18	327	\$ 4.80	\$ 1,569.60
K	GBD6159SPT5	LS SPOT/STRIPE HOODED DRESS WITH EMB	1136	227	30	1393	\$ 5.60	\$ 7,800.80
K	GKD6158SPT5	LS SPOT/STRIPE HOODED DRESS WITH EMB	3162	699	155	4016	\$ 6.25	\$ 25,100.00
K	GBD6428SPT5	SS SPOT/STRIPE HOODED DRESS WITH EMB	256	154	30	440	\$ 5.20	\$ 2,288.00
K	GKD6425SPT5	SS SPOT/STRIPE HOODED DRESS WITH EMB	731	636	183	1550	\$ 5.65	\$ 8,757.50
K	GBD6149SPT5	SOLID LACE OVERLAY DRESS	1752	479	31	2262	\$ 6.83	\$ 15,449.46
K	GKD6148SPT5	SOLID LACE OVERLAY DRESS	4114	1642	204	5960	\$ 7.87	\$ 46,905.20
K	GTD7006SPT5	SOLID LACE OVERLAY DRESS	0	305	18	323	\$ 8.93	\$ 2,884.39
K	GBD6165SPT5	2X2 DRESS WITH FLORAL RUFFLES	1832	412	30	2274	\$ 5.53	\$ 12,575.22
K	GKD6164SPT5	2X2 DRESS WITH FLORAL RUFFLES	4199	1644	203	6046	\$ 6.53	\$ 39,480.38
K	GBA6182SPT5	PRINT HEADBAND	784	122	16	922	\$ 1.80	\$ 1,659.60
K	GKA6181SPT5	PRINT HEADBAND	1172	327	40	1539	\$ 1.80	\$ 2,770.20
K	GBA6184SPT5	SOLID LACE TRIM HEADBAND	800	150	20	970	\$ 1.92	\$ 1,862.40
K	GKA6183SPT5	SOLID LACE TRIM HEADBAND	1400	400	40	1840	\$ 1.92	\$ 3,532.80
K	GKA6185SPT5	SOLID LACE BAG	440	76	16	532	\$ 3.51	\$ 1,867.32



naartjiekids .. the original name in fun clothing sizes 0 - 10

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA			
Import RN#: 103627			
Agent: Target Ease International Limited		Vendor: TBA - Targetease	
Shipment Samples Due:	Sept. 16, 2016	Issued: May 15, 2014 revised August 28, 2014	EC/SLC: Sept 30, 2014 WC: Oct. 7, 2014
		Hand over to Forwarder:	

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTY	IS Web QTY	CAN QTY	TOTAL UNITS	CONFIRMED PRICE	VALUE
K	BBT5937SPT5	ESS OMBRE DINO FOOTPRINT TEE	1176	66	15	1257	\$ 2.70	\$ 3,393.90
K	BKT5936SPT5	ESS OMBRE DINO FOOTPRINT TEE	1911	180	68	2159	\$ 3.00	\$ 6,477.00
K	BBT5933SPT5	ESS PIECED T-REX DINO TEE	816	46	8	870	\$ 2.80	\$ 2,436.00
K	BKT5932SPT5	ESS PIECED T-REX DINO TEE	1326	119	39	1484	\$ 3.10	\$ 4,600.40
K	BBT5929SPT5	S/S THICK EMBROIDED AMAZING DINO TEE	456	21	8	485	\$ 2.70	\$ 1,309.50
K	BKT5928SPT5	S/S THICK EMBROIDED AMAZING DINO TEE	741	49	9	799	\$ 3.00	\$ 2,397.00
K	BBT5927SPT5	L/S 2FER COLOSSAL MULTI DINO TEE	816	46	8	870	\$ 3.10	\$ 2,697.00
K	BKT5926SPT5	L/S 2FER COLOSSAL MULTI DINO TEE	1911	237	47	2195	\$ 3.40	\$ 7,463.00
K	BBT5931SPT5	PIQUE CAMO ELBOW PIECED HOODY	816	56	8	880	\$ 3.30	\$ 2,904.00
K	BKT5930SPT5	PIQUE CAMO ELBOW PIECED HOODY	1365	216	30	1611	\$ 3.80	\$ 6,121.80
K	BBT5935SPT5	SLUB LIZARD STRIPE TEE	1032	208	15	1255	\$ 3.30	\$ 4,141.50
K	BKT5934SPT5	SLUB LIZARD STRIPE TEE	1781	510	39	2330	\$ 3.80	\$ 8,854.00
W	BBT5949SPT5	GML SLV W/CHECK BODY WOVEN SHIRT	456	21	8	485	\$ 6.70	\$ 3,249.50
W	BKT5948SPT5	GML SLV W/CHECK BODY WOVEN SHIRT	741	84	9	834	\$ 8.50	\$ 7,089.00
K	BBO5945SPT5	SPRAY STRIPE FLEECE JACKET	576	45	8	629	\$ 4.80	\$ 3,019.20
K	BKO5944SPT5	SPRAY STRIPE FLEECE JACKET	936	181	21	1138	\$ 6.00	\$ 6,828.00
K	BBO5947SPT5	FRENCH TERRY HOODY VEST	816	114	8	938	\$ 6.90	\$ 6,472.20
K	BKO5946SPT5	FRENCH TERRY HOODY VEST	1430	263	22	1715	\$ 7.90	\$ 13,548.50
W	BBB5939SPT5	EWAIST LINED CRACKER PANT	480	36	8	524	\$ 6.40	\$ 3,353.60
W	BKB5938SPT5	EWAIST LINED CRACKER PANT	780	176	17	973	\$ 8.80	\$ 8,562.40
W	BBB5943SPT5	EWAIST WAIST CAMO	480	41	8	529	\$ 5.80	\$ 3,068.20
W	BKB5942SPT5	ADJ WAIST CAMO	845	176	17	1038	\$ 7.80	\$ 8,096.40
W	BBB5941SPT5	KNIT WAIST DENIM PANT	600	100	8	708	\$ 5.50	\$ 3,894.00
W	BKB5940SPT5	KNIT WAIST DENIM PANT	1170	314	54	1538	\$ 7.05	\$ 10,842.90
K	BBB6179SPT5	FRENCH TERRY WOVEN TRIM PANT	1160	86	15	1261	\$ 6.10	\$ 7,692.10
K	BKB6178SPT5	FRENCH TERRY WOVEN TRIM PANT	1950	255	30	2235	\$ 7.80	\$ 17,433.00
W	BBA5951SPT5	BB CAMO TWILL HAT	570	33	5	608	\$ 3.20	\$ 1,945.60
W	BKA6322SPT5	BK CAMO TWILL HAT	684	62	6	752	\$ 3.30	\$ 2,481.60
K	LGT6126SPT5	FLORAL TREE SCREEN TUNIC	1020	135	10	1165	\$ 3.00	\$ 3,495.00
K	LGB6129SPT5	WILLOW SPOT RUFFLE BUTT PANT	1020	180	10	1210	\$ 3.00	\$ 3,630.00
K	LGG6130SPT5	FLUTTER HEART STRIPE & SPOT BABYGROW	2100	241	30	2371	\$ 6.10	\$ 14,463.10
K	LGG6128SPT5	SOLID BIRDIE ART BABYGROW	1800	330	20	2150	\$ 6.10	\$ 13,115.00
K	LGG6132SPT5	WILLOW SPOT HOME TWEET HOME BABYGROW	1800	228	20	2048	\$ 6.30	\$ 12,902.40
K	LGO6131SPT5	SOLID W/ TRIM CARDIGAN	405	82	9	496	\$ 4.90	\$ 2,430.40
K	LGA6133SPT5	WILLOW SPOT BEANIE	1200	255	10	1465	\$ 1.90	\$ 2,783.50
K	LGA6135SPT5	WILLOW SPOT OAK STRIPE HEADBAND	1230	187	12	1429	\$ 1.60	\$ 2,286.40
K	LGA6134SPT5	WILLOW SPOT BOOTIES	950	253	10	1213	\$ 2.20	\$ 2,668.60
K	LBG6122SPT5	TRACKER RAGLAN BODYSUIT	1720	72	20	1812	\$ 4.35	\$ 7,882.20
K	LBT6136SPT5	HOODY MELANGE TEE	570	22	10	602	\$ 4.50	\$ 2,709.00
K	LBB6123SPT5	FLEECE MIXED DIGGER STRIPE PANT	570	22	10	602	\$ 3.80	\$ 2,287.60
W	LBB5642SPT5	DENIM GML WAIST PANT	513	31	9	553	\$ 3.90	\$ 2,156.70
K	LBG6121SPT5	HOODED DIGGER STP BOY AT WORK BABYGROW	1710	177	20	1907	\$ 6.00	\$ 11,442.00
K	LBG6120SPT5	DIGGER STRIPE TOOLBELT BABYGROW	1140	116	20	1276	\$ 5.80	\$ 7,400.80
W	LBB6124SPT5	DENIM DUNGAREE	513	43	9	565	\$ 7.00	\$ 3,955.00
K	LBO6137SPT5	FLEECE PATCH VEST	513	22	9	544	\$ 4.80	\$ 2,611.20
K	LBA6139SPT5	DIGGER STRIPE BEANIE	1050	73	10	1133	\$ 2.00	\$ 2,266.00
K	LBA6138SPT5	DIGGER STRIPE BOOTIES	1050	63	10	1123	\$ 2.30	\$ 2,582.90

naartjie kids ...the original name in fun clothing sizes 0 - 10

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA		
Import RN#: 103627		
Agent: Target Ease International Limited		Vendor: TBA - Targetcase
Shipment Samples Due: Sept. 16, 2016	Issued: May 15, 2014 revised August 28, 2014	EC/SLC: Sept 30, 2014 WC: Oct. 7, 2014
Hand over to Forwarder:		

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTY	IS Web QTY	CAN QTY	TOTAL UNITS	CONFIRMED PRICE	VALUE
			128,981	32,709	3,843	165,533	\$	773,624.99

All prices noted above are strictly Free- On Board (F.O.B) ex Hong Kong  
Agent/Vendor to provide a Pro Forma Invoice as per above

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**


This Reservation Purchase Order serves as Naartjie's commitment to the list of styles on page 1, so that the Vendor can procure the necessary fabric and trim as well as book production and dye house space.

A detailed Purchase Order Contract will follow this Reservation Purchase Order and will provide the Agent/Vendor with a PO number for invoicing and payment reference purposes.

Payment Terms: Document Presentation

**Terms of Contract**

- The prototype sample must be approved in writing by a representative of Naartjie Corporation before bulk production may commence;
- The shipment samples must be approved in writing by a representative of Naartjie Corporation before delivering to the warehouse;
- Final sample must adhere to all Consumer Product Safety Commission and US Customs requirement for all required documentation
- Finished goods and all relevant documentation must be delivered to the warehouse within 5 working days of the specified date and not before;
- Any delivery between 6 and 10 working days after the specified date will result in a 2½% penalty of cost price;
- Any delivery later than 10 working days after the specified date, at the discretion of Naartjie Corporation, will result in a 5% penalty of cost price or cancellation;
- No less than 95% (5% short) and no more than 105% (5% more) of the specified order (as per Order Matrix and Packing Instructions) may be delivered to the warehouse. Final figures within this parameter must be communicated in writing to a representative of Naartjie Corporation before delivery;
- Any shortage of more than 5% of the specified order, for whatever reason, must be communicated in writing to a representative of Naartjie Corporation. At the discretion of Naartjie Corporation, the Vendor may be charged the full retail price of all shortage of more than 5% of the specified order;
- Any excess of more than 5% of the specified order must be disposed of by the Agent/Vendor ONLY within the borders of the People's Republic of China;
- No unmade goods will be accepted by the Purchaser;
- At any time, a representative of Naartjie Corporation must be allowed unconditional access to the Vendor's, or its sub-contractor, manufacturing facility to inspect its goods in progress;
- No Naartjie goods may be sub-contracted to an unspecified Vendor without prior permission in writing by a representative of Naartjie Corporation. Failure to comply may result in non-payment;
- Changes to the contract may only be made by means of written notification signed by both parties.
- It is the responsibility of the Agent/Vendor to ensure that the correct visa is purchased, where applicable.

  
 Signature of Naartjie Corporation representative      Glenn Weed      Date  
 Print name in block letters

Signature of Agent/Vendor representative      Print name in block letters      Date



naartjie Kids

...the original name in fun clothing sizes 0 - 10

28/8/2014

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA

Import RN#: 103627

Agent: Target Ease International Limited

Vendor: TBA - Targetease

Shipment Samples Due: Sept. 16, 2016

Issued: May 15, 2014  
revised August 28, 2014EC/SLC: Sept 30, 2014  
WC: Oct. 7, 2014

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTY	IS Web QTY	CAN QTY	TOTAL UNITS	CONFIRMED PRICE	VALUE
			128,981	32,709	3,843	165,533	\$	773,624.99

All prices noted above are strictly Free- On Board (F.O.B) ex Hong Kong  
Agent/Vendor to provide a Pro Forma Invoice as per above

**Reservation Purchase Order (US) - Spring Trans 15 - Knits and Wovens**

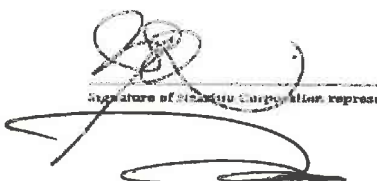

This Reservation Purchase Order serves as Naartjie's commitment to the list of styles on page 1, so that the Vendor can procure the necessary fabric and trim as well as book production and dye house space.

A detailed Purchase Order Contract will follow this Reservation Purchase Order and will provide the Agent/Vendor with a PO number for invoicing and payment reference purposes.

<b>Payment Terms: Document Presentation</b>
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**Terms of Contract**

- The prototype sample must be approved in writing by a representative of Naartjie Corporation before bulk production may commence;
- The shipment samples must be approved in writing by a representative of Naartjie Corporation before delivering to the warehouse;
- Final sample must adhere to all Consumer Product Safety Commission and US Customs requirement for all required documentation
- Finished goods and all relevant documentation must be delivered to the warehouse within 5 working days of the specified date and not before;
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- Any delivery later than 10 working days after the specified date, at the discretion of Naartjie Corporation, will result in a 5% penalty of cost price or cancellation;
- No less than 95% (5% short) and no more than 105% (5% more) of the specified order (as per Order Matrix and Packing Instructions) may be delivered to the warehouse. Final figures within this parameter must be communicated in writing to a representative of Naartjie Corporation before delivery;
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- Any excess of more than 5% of the specified order must be disposed of by the Agent/Vendor ONLY within the borders of the People's Republic of China;
- No unmade goods will be accepted by the Purchaser;
- At any time, a representative of Naartjie Corporation must be allowed unconditional access to the Vendor's, or its sub-contractor, manufacturing facility to inspect its goods in progress;
- No Naartjie goods may be sub-contracted to an unspecified Vendor without prior permission in writing by a representative of Naartjie Corporation. Failure to comply may result in non-payment;
- Changes to the contract may only be made by means of written notification signed by both parties.
- It is the responsibility of the Agent/Vendor to ensure that the correct visa is purchased, where applicable.

	
Signature of Naartjie Corporation representative	Signature of Agent/Vendor representative
Francis Wood	Francis Chon
Print name in block letters	Print name in block letters
	9/1/2014
	Date

**Reservation Purchase Order (US) - Spring 1 2015 - Knit & Woven**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA			
Import RN#: 103627			
Agent: Target Ease International Limited			Vendor: TBA - Targetease
Shipment Samples Due: Oct. 21, 2014	Issued: 2014	June 27, 2014	Amended: Sept. 11, 2014
Hand over to Forwarder:			EC/SLC: Nov 04, 2014 WC: Nov 11, 2014

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTYs	JS Web QTY	CAN QTYs	TOTAL UNITS	CONFIRMED PRICE	VALUE
K	GBT6412SP15	ESS SEED SPOT MIXED PRINT TUNIC	3648	779	51	4478	\$ 2.85	\$ 12,762.30
K	GKT6410SP15	ESS SEED SPOT MIXED PRINT TUNIC	6664	3219	201	10084	\$ 3.45	\$ 34,789.80
K	GBT6609SP15	ESS GARDENING GRAPHIC SLVLS TEE	3048	680	88	3816	\$ 2.55	\$ 9,730.80
K	GKT6608SP15	ESS GARDENING GRAPHIC SLVLS TEE	5729	2721	422	8872	\$ 2.95	\$ 26,172.40
K	GBT6400SP15	ESS 3/4 SLV TUNIC	2360	713	51	3124	\$ 2.85	\$ 8,903.40
K	GKT6399SP15	ESS 3/4 SLV TUNIC	4522	2393	213	7128	\$ 3.41	\$ 24,306.48
K	GTT8000SP15	3/4 SLV TUNIC	0	405	30	435	\$ 4.29	\$ 1,866.15
K	GB06390SP15	ESS SLUB CARDIGAN	1760	634	50	2444	\$ 2.61	\$ 6,378.84
K	GKO6389SP15	ESS SLUB CARDIGAN	3723	2319	283	6325	\$ 2.99	\$ 18,911.75
K	GBT6414SP15	SEED SPOT TUNIC WITH BOW	1720	534	32	2286	\$ 2.60	\$ 5,943.60
K	GKT6413SP15	SEED SPOT TUNIC WITH BOW	3672	1914	103	5689	\$ 3.20	\$ 18,204.80
W	GBT6373SP15	LAWN MIXED PRINT SPLIT BODICE TOP	1432	453	32	1917	\$ 5.60	\$ 10,735.20
W	GKT6372SP15	LAWN MIXED PRINT SPLIT BODICE TOP	3383	1616	261	5260	\$ 6.65	\$ 34,979.00
W	GTT8001SP15	LAWN MIXED PRINT SPLIT BODICE TOP	0	340	28	368	\$ 9.05	\$ 3,330.40
K	GBT6378SP15	SOLID WITH PRINT PANEL SS TUNIC	1576	433	32	2041	\$ 3.15	\$ 6,429.15
K	GKT6377SP15	SOLID WITH PRINT PANEL SS TUNIC	3434	1717	170	5321	\$ 3.65	\$ 19,421.65
K	GB06409SP15	U/B FLEECE BUTTON FRONT HOODY	816	238	25	1079	\$ 5.57	\$ 6,010.03
K	GKO6411SP15	U/B FLEECE BUTTON FRONT HOODY	1649	1030	92	2771	\$ 6.53	\$ 18,094.63
K	GBT6514SP15	NETTING TRIM JIE JIE GRAPHIC TOP	672	230	32	934	\$ 2.95	\$ 2,755.30
K	GKT6510SP15	NETTING TRIM JIE JIE GRAPHIC TOP	1360	837	57	2254	\$ 3.55	\$ 8,001.70
K	GBT6512SP15	MESH OVERLAY RUFFLED TOP	768	251	25	1044	\$ 2.96	\$ 3,090.24
K	GKT6507SP15	MESH OVERLAY RUFFLED TOP	2159	1140	74	3373	\$ 3.33	\$ 11,232.09
W	GB06471SP15	LACE TRIM DENIM JACKET	416	190	8	614	\$ 7.80	\$ 4,789.20
W	GKO6470SP15	LACE TRIM DENIM JACKET	850	569	28	1447	\$ 8.90	\$ 12,878.30
W	GTT8002SP15	LACE TRIM DENIM JACKET	0	100	6	106	\$ 10.80	\$ 1,144.80
K	GBT6681SP15	\$ HOODED TOP WITH ASSYMETRICAL BAC	952	300	33	1285	\$ 3.60	\$ 4,626.00
K	GKT6680SP15	\$ HOODED TOP WITH ASSYMETRICAL BAC	3196	1645	101	4942	\$ 4.60	\$ 22,733.20
K	GTT8003SP15	\$ HOODED TOP WITH ASSYMETRICAL BAC	0	341	32	373	\$ 5.50	\$ 2,051.50
W	GBB6921SP15	ESS SKINNY STRETCH DENIM	1136	267	35	1438	\$ 3.50	\$ 5,033.00
W	GKB6920SP15	ESS SKINNY STRETCH DENIM	2040	1078	287	3405	\$ 4.30	\$ 14,641.50
W	GTB8004SP15	SKINNY STRETCH DENIM	0	136	13	149	\$ 6.25	\$ 931.25
K	GBB6396SP15	ESS SEED SPOT LEGGING	3744	706	44	4494	\$ 2.70	\$ 12,133.80
K	GKB6395SP15	ESS SEED SPOT LEGGING	7412	3924	287	11623	\$ 3.10	\$ 36,031.30
K	GTB8005SP15	SEED SPOT LEGGING	0	335	39	374	\$ 3.70	\$ 1,383.80
K	GBB6392SP15	ESS SOLID SCRUNCED LEGGING	3144	605	51	3800	\$ 2.67	\$ 10,146.00
K	GKB6391SP15	ESS SOLID SCRUNCED LEGGING	5729	3021	372	9122	\$ 3.04	\$ 27,730.88
K	GBB6394SP15	ESS MEADOW CAPRI	2992	599	68	3659	\$ 2.70	\$ 9,879.30
K	GKB6393SP15	ESS MEADOW CAPRI	4964	2621	372	7957	\$ 3.10	\$ 24,666.70
K	GBB6417SP15	TRELLIS FLORAL BANDED CAPRI	1496	554	35	2085	\$ 3.00	\$ 6,255.00
K	GKB6416SP15	TRELLIS FLORAL BANDED CAPRI	3485	1914	271	5670	\$ 3.40	\$ 19,278.00
K	GBB6420SP15	SOLID LEGGING WITH PRINT TRIM	2016	697	35	2748	\$ 3.15	\$ 8,656.20
K	GKB6419SP15	SOLID LEGGING WITH PRINT TRIM	4437	2516	203	7156	\$ 3.65	\$ 26,119.40
K	GBB6406SP15	SOLID LEGGING WITH MESH	1792	616	29	2437	\$ 2.71	\$ 6,604.27
K	GKB6405SP15	SOLID LEGGING WITH MESH	3859	2318	230	6407	\$ 3.19	\$ 20,438.33
K	GTB8006SP15	SOLID LEGGING WITH MESH	0	341	32	373	\$ 3.92	\$ 1,462.16
W	GBB6478SP15	CAPE STRIPE LAWN PANT	1760	606	32	2398	\$ 4.30	\$ 10,311.40
W	GKB6477SP15	CAPE STRIPE LAWN PANT	3825	719	181	4725	\$ 5.25	\$ 24,806.25
W	GBB6613SP15	JIE JIE SKIRT W/ LEGS	672	279	16	967	\$ 5.45	\$ 5,270.15
W	GKB6612SP15	JIE JIE SKIRT	1428	903	73	2404	\$ 5.05	\$ 12,140.20
W	GBB6474SP15	E WAIST LACE TRIM DENIM PANT	464	239	26	729	\$ 5.80	\$ 4,228.20
W	GKB6473SP15	ADJ WAIST LACE TRIM DENIM PANT	850	639	119	1608	\$ 6.90	\$ 11,095.20
K	GBB6704SP15	MIXED PRINT SKIRT W/ LEGS	952	360	35	1347	\$ 5.10	\$ 6,869.70
K	GKB6703SP15	MIXED PRINT SKIRT	2737	1513	202	4452	\$ 5.20	\$ 23,150.40
K	GTB8008SP15	MIXED PRINT SKIRT	0	307	32	339	\$ 6.20	\$ 2,101.80
W	GBD6385SP15	MEADOW PRINT LAWN DRESS	2264	481	43	2788	\$ 5.35	\$ 14,915.80
W	GKD6384SP15	MEADOW PRINT LAWN DRESS	5593	3014	261	8868	\$ 6.90	\$ 61,189.20
K	GBD6403SP15	SS SOLID TEXTURED DRESS	1544	358	39	1941	\$ 5.13	\$ 9,957.33
K	GKD6375SP15	SS SOLID TEXTURED DRESS	3757	2217	261	6235	\$ 6.28	\$ 39,155.80
K	GTD8009SP15	SS SOLID TEXTURED DRESS	0	406	32	438	\$ 7.43	\$ 3,254.34
K	GBD6382SP15	DANDELION SPARKLE DRESS	1880	523	32	2435	\$ 5.40	\$ 13,149.00
K	GKD6381SP15	DANDELION SPARKLE DRESS	4539	2927	187	7653	\$ 6.40	\$ 48,979.20
W	GBD6476SP15	DENIM LACE TRIM PINNIE	416	190	8	614	\$ 6.20	\$ 3,806.80
W	GKD6475SP15	DENIM LACE TRIM PINNIE	1020	689	45	1754	\$ 7.40	\$ 12,979.60
K	GBA6616SP15	FLORAL HEADBAND WITH SPOTTY BOW	1080	300	32	1412	\$ 1.60	\$ 2,259.20
K	GKA6615SP15	FLORAL HEADBAND WITH SPOTTY BOW	1680	527	96	2303	\$ 1.60	\$ 3,684.80
W	GKA6617SP15	MEADOW FLORAL SCRUNCHIE	440	126	24	590	\$ 1.30	\$ 767.00
W	GBA6620SP15	SOLID HEADBAND WITH 3 D FLOWERS	700	196	16	912	\$ 2.24	\$ 2,042.88
W	GKA6619SP15	SOLID HEADBAND WITH 3 D FLOWERS	1488	428	52	1968	\$ 2.24	\$ 4,408.32



**Reservation Purchase Order (US) - Spring 1 2015 - Knit & Woven**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA			
Import RN#: 103627			
Agent: Target Ease International Limited			Vendor: TBA - Targetease
Shipment Samples Due: Oct. 21, 2014	Issued: June 27, 2014	Amended: Sept. 11, 2014	EC/SLC: Nov 04, 2014 WC: Nov 11, 2014
Hand over to Forwarder:			

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTYs	JS Web QTY	CAN QTYs	TOTAL UNITS	CONFIRMED PRICE	VALUE
W	GKA6614SP15	SOLID LACE TRIM BAG	580	151	16	747	\$ 3.67	\$ 2,741.49
K	BBT6431SP15	ESS STRIPE VNECK TEE	912	84	8	1004	\$ 2.20	\$ 2,208.80
K	BKT6430SP15	ESS STRIPE VNECK TEE	1482	251	20	1753	\$ 2.90	\$ 5,083.70
K	BBT6434SP15	ESS L/S FLAG TEE	416	26	8	450	\$ 2.65	\$ 1,192.50
K	BKT6435SP15	ESS L/S FLAG TEE	676	163	13	852	\$ 2.95	\$ 2,513.40
K	BBT6441SP15	ESS SLUB NIGHT MOON	416	26	8	450	\$ 2.40	\$ 1,080.00
K	BKT6440SP15	ESS SLUB NIGHT MOON	871	169	28	1068	\$ 2.80	\$ 2,990.40
K	BBT6439SP15	ESS CHEST WAVE STRIPE TEE	536	66	8	610	\$ 2.45	\$ 1,494.50
K	BKT6438SP15	ESS CHEST WAVE STRIPE TEE	871	347	28	1246	\$ 2.85	\$ 3,551.10
K	BBT6433SP15	ESS L/S SLUB WIND RACER TEE	536	84	16	636	\$ 2.65	\$ 1,685.40
K	BKT6432SP15	ESS L/S SLUB LAND SPEED RACER TEE	1690	421	52	2163	\$ 3.05	\$ 6,597.15
K	BBT6437SP15	ESS FLYING SQUIRREL TEE	832	102	15	949	\$ 2.35	\$ 2,230.15
K	BKT6436SP15	ESS CROSS WINDS PARASAILING TEE	1261	416	37	1714	\$ 2.70	\$ 4,627.80
K	BBT6442SP15	ESS PIQUE SLUB MIX 1 PKCT SOLID TEE	1032	57	8	1097	\$ 2.45	\$ 2,687.65
K	BKT6443SP15	ESS PIQUE SLUB MIX 1 PKCT SOLID TEE	1677	272	32	1981	\$ 3.00	\$ 5,943.00
K	BBT6449SP15	KITE SURFING APPLIQUE TEE	816	98	8	922	\$ 2.85	\$ 2,627.70
K	BKT6448SP15	KITE SURFING APPLIQUE TEE	1352	254	64	1670	\$ 3.30	\$ 5,511.00
K	BBT6450SP15	2-FER FLECK 1 PKCT TEE	400	42	8	450	\$ 3.90	\$ 1,755.00
K	BKT6451SP15	2-FER FLECK 1 PKCT TEE	845	267	43	1155	\$ 4.70	\$ 5,428.50
K	BBT6452SP15	SLUB STRIPE HENLEY TEE	912	102	8	1022	\$ 3.90	\$ 3,985.80
K	BKT6453SP15	SLUB STRIPE HENLEY TEE	1482	248	43	1773	\$ 4.60	\$ 8,155.80
K	BBT6456SP15	SLUB WAVE STRIPE PALM HOODY	912	74	8	994	\$ 4.30	\$ 4,274.20
K	BKT6457SP15	SLUB WAVE STRIPE PALM HOODY	1677	393	90	2160	\$ 4.90	\$ 10,584.00
K	BBT6486SP15	2-FER WAVE SHARK EMB TEE	536	72	8	616	\$ 3.30	\$ 2,032.80
K	BKT6485SP15	2-FER WAVE SHARK EMB TEE	871	306	43	1220	\$ 4.05	\$ 4,941.00
K	BB06459SP15	BR FLEECE COLD WASH SHARK EMB HOO	792	41	8	841	\$ 8.60	\$ 7,232.60
K	BK06458SP15	BR FLEECE COLD WASH SHARK EMB HOO	1482	277	37	1796	\$ 9.80	\$ 17,600.80
W	BBB6445COR5	ESS PIECED DENIM PANT	456	168	10	634	\$ 4.22	\$ 2,675.48
W	BKB6444COR5	ESS PIECED DENIM PANT	780	914	71	1765	\$ 5.40	\$ 9,531.00
K	BBB6446SP15	ESS FLEECE SHORT	1992	380	35	2407	\$ 3.20	\$ 7,702.40
K	BKB6447SP15	ESS FLEECE SHORT	3484	2833	181	6498	\$ 3.95	\$ 25,667.10
W	BBB6480SP15	ESS TWILL SHORT	1288	299	10	1597	\$ 3.40	\$ 5,429.80
W	BKB6479SP15	ESS TWILL SHORT	2093	588	36	2717	\$ 4.00	\$ 10,868.00
W	BBB6462SP15	EWAIST CARGO KNIT WAIST DENIM PANT	456	26	8	490	\$ 6.07	\$ 2,974.30
W	BKB6463SP15	EWAIST CARGO KNIT WAIST DENIM PANT	741	351	37	1129	\$ 7.63	\$ 8,614.27
W	BBB6467SP15	EWAIST CRACKER ROLLUP PANT	416	58	8	482	\$ 5.20	\$ 2,506.40
W	BKB6466SP15	EWAIST CRACKER ROLLUP PANT	1222	308	40	1570	\$ 6.40	\$ 10,048.00
K	BBB6461SP15	EWAIST UNBR FLEECE PIECED PANT	1128	121	8	1257	\$ 5.70	\$ 7,164.90
K	BKB6460SP15	EWAIST UNBR FLEECE PIECED PANT	1833	356	39	2228	\$ 6.70	\$ 14,927.60
W	BBB6465SP15	EWAIST STRIPE SHORT	456	58	8	522	\$ 4.65	\$ 2,427.30
W	BKB6464SP15	ADJ WST STRIPE SHORT	741	232	16	989	\$ 5.85	\$ 5,785.65
W	BBA6468SP15	BB YARN STRIPE WIDE BRIM HAT	570	25	5	600	\$ 3.25	\$ 1,950.00
W	BKA6469SP15	BK YARN STRIPE WIDE BRIM HAT	684	62	6	752	\$ 3.25	\$ 2,444.00
K	LGT6245SP15	BALLET RUFFLE SLV TUNIC	920	139	20	1079	\$ 2.95	\$ 3,183.05
W	LGB6252SP15	DENIM SKORT	540	31	9	580	\$ 3.95	\$ 2,291.00
K	LGB6323SP15	TOOTOO FLORAL PANT	950	81	20	1051	\$ 2.80	\$ 2,942.80
K	LGG6246SP15	FLORAL MESH RUFFLES SHORT BG	1350	181	20	1551	\$ 4.85	\$ 7,522.35
K	LGG6247SP15	TOOTOO FLORAL WRAP BALLET BG	1470	267	20	1757	\$ 5.45	\$ 9,575.65
K	LGG6361SP15	MOUSE BALLET SIZE SNAP BG	1440	378	20	1838	\$ 5.45	\$ 10,017.10
K	LGD6249SP15	SUPER MESH TUTU BODYSUIT	1170	152	30	1352	\$ 4.40	\$ 5,948.80
K	LGO6251SP15	MESH BOW CROP CARDIGAN	360	60	9	429	\$ 3.10	\$ 1,329.90
W	LGA6320SP15	TOOTOO FLORAL SUNHAT	895	140	10	1045	\$ 2.95	\$ 3,082.75
K	LGA6250SP15	MESH FRILL HEADBAND	702	140	12	854	\$ 1.50	\$ 1,281.00
W	LGA6362SP15	BALLET BOOTIES	795	260	10	1065	\$ 2.50	\$ 2,662.50
K	LBG6371SP15	LS RAD SKATE CLUB BODYSUIT	1170	66	20	1256	\$ 3.90	\$ 4,898.40
K	LBB6376SP15	UNBR FLEECE PANT	570	21	10	601	\$ 3.90	\$ 2,343.90
K	LBG6383SP15	OLLIE STRIPE HENLEY BG	1590	153	20	1763	\$ 5.50	\$ 9,696.50
K	LBG6388SP15	2FER DUDE SKATER OLLIE STRIPE BG	1570	217	20	1807	\$ 5.60	\$ 10,119.20
K	LBO6374SP15	UNBR FLEECE ELBOW PATCH HOODY	513	22	9	544	\$ 5.60	\$ 3,046.40
K	LBA6386SP15	OLLIE STRIPE BEANIE	785	191	10	986	\$ 2.00	\$ 1,972.00
K	LBA6387SP15	SOLID FAUX LACE BOOTIES	795	108	10	913	\$ 2.20	\$ 2,008.60
K	LBG6401SP15	UNI SOOTY TRIANGLE PRINT BABYGROW	650	51	10	711	\$ 4.40	\$ 3,128.40
K	LBA6398SP15	UNI SOOTY PRINT BOOTIE	300	30	5	335	\$ 2.20	\$ 737.00
K	LBA6397SP15	UNI SOOTY PRINT BEANIE	300	30	5	335	\$ 1.90	\$ 636.50
W	GBA6912SP15	MEADOW FLORAL SUNHAT	1025	251	15	1291	\$ 3.30	\$ 4,260.30
						0	\$	-

**Reservation Purchase Order (US) - Spring 1 2015 - Knit & Woven**

Purchaser: Naartjie Custom Kids, Inc., 533 Airport Boulevard, Suite 300, Burlingame, CA 94010-2041, USA			
Import RN#: 103627			
Agent: Target Ease International Limited		Vendor: TBA - Targetease	
Shipment Samples Due: Oct. 21, 2014	Issued: June 27, 2014	Amended Sept. 11, 2014	EC/SLC: Nov 04, 2014 WC: Nov 11, 2014

This Reservation Purchase Order pertains to the following list of styles:

K/W	STYLE NUMBER	DESCRIPTION	US Store QTYS	JS Web QTY	CAN QTYS	TOTAL UNITS	CONFIRMED PRICE	VALUE
			210,909	82,493	8,304	301,706		\$ 1,226,342.71

All prices noted above are strictly Free- On Board (F.O.B) ex Hong Kong  
Agent/Vendor to provide a Pro Forma Invoice as per above

**Reservation Purchase Order (US) - Spring 1 2015 - Knit & Woven**


This Reservation Purchase Order serves as Naartjie's commitment to the list of styles on page 1, so that the Vendor can procure the necessary fabric and trim as well as book production and dye house space.

A detailed Purchase Order Contract will follow this Reservation Purchase Order and will provide the Agent/Vendor with a PO number for invoicing and payment reference purposes.

**Payment Terms:** Document Presentation

**Terms of Contract**

- The prototype sample must be approved in writing by a representative of Naartjie Corporation before bulk production may commence;
- The shipment samples must be approved in writing by a representative of Naartjie Corporation before delivering to the warehouse;
- Final sample must adhere to all Consumer Product Safety Commission and US Customs requirement for all required documentation
- Finished goods and all relevant documentation must be delivered to the warehouse within 5 working days of the specified date and not before;
- Any delivery between 6 and 10 working days after the specified date will result in a 2½% penalty of cost price;
- Any delivery later than 10 working days after the specified date, at the discretion of Naartjie Corporation, will result in a 5% penalty of cost price or cancellation;
- No less than 95% (5% short) and no more than 105% (5% more) of the specified order (as per Order Matrix and Packing Instructions) may be delivered to the warehouse. Final figures within this parameter must be communicated in writing to a representative of Naartjie Corporation before delivery;
- Any shortage of more than 5% of the specified order, for whatever reason, must be communicated in writing to a representative of Naartjie Corporation. At the discretion of Naartjie Corporation, the Vendor may be charged the full retail price of all shortage of more than 5% of the specified order;
- Any excess of more than 5% of the specified order must be disposed of by the Agent/Vendor ONLY within the borders of the People's Republic of China;
- No unmade goods will be accepted by the Purchaser;
- At any time, a representative of Naartjie Corporation must be allowed unconditional access to the Vendor's, or its sub-contractor, manufacturing facility to inspect its goods in progress;
- No Naartjie goods may be sub-contracted to an unspecified Vendor without prior permission in writing by a representative of Naartjie Corporation. Failure to comply may result in non-payment;
- Changes to the contract may only be made by means of written notification signed by both parties.
- It is the responsibility of the Agent/Vendor to ensure that the correct visa is purchased, where applicable.

  
 Signature of Naartjie Corporation representative      Print name in block letters: Glenn Wood      Date:

Signature of Agent/Vendor representative      Print name in block letters      Date



12 SEP 2014

210,909	82,493	8,304	301,706
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\$ 1,226,342.71

All prices noted above are strictly Free- On Board (F.O.B) ex Hong Kong  
Agent/Vendor to provide a Pro Forma Invoice as per above

### Reservation Purchase Order (US) - Spring 1 2015 - Knit & Woven

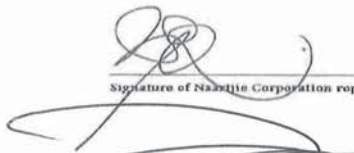
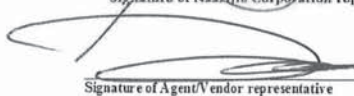
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#### Payment Terms: Document Presentation

#### Terms of Contract

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- It is the responsibility of the Agent/Vendor to ensure that the correct visa is purchased, where applicable.

	<u>Glenn Wood</u>	
Signature of Naartjie Corporation representative	Print name in block letters	Date
	<u>Frances Chan</u>	<u>9/12/2014</u>
Signature of Agent/Vendor representative	Print name in block letters	Date